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SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

- 11. President ObamaQs Interview with TIME Magazine
- 12. Mideast

Key stories in the media:

All media cited President ObamaQs interview with TIME Magazine, in which he admitted that he erred during his first year in office by raising too high expectations of a Middle East breakthrough. Obama

said that neither side has been willing to make the bold gestures necessary to move the process forward. This morning Israel RadioQs $\,$ anchor rhetorically asked why the President needs the National Security CouncilQs advice to know that he failed. While the Prime Minister's Office had no official response to the president's remarks, Channel 2-TV quoted an unnamed senior Israeli official as saying that Israel had warned the Americans that their Middle East The Jerusalem Post reported that strategy would not bear fruit. another senior Israeli official tried to lower any expectations that the current regional trip of U.S. Special Envoy for Middle East Peace Senator George Mitchell would lead to any dramatic progress, saying that it was not clear whether the PA had made the strategic decision to re-enter the talks. The official said Netanyahu had no intention of giving Mitchell any more gestures to take to the Palestinians, saying that the Palestinians have climbed up a "eucalyptus tree," and every time a gesture is given as a ladder, they climb even higher. Talking on Israel Radio this morning, Deputy FM Daniel Ayalon said that the President [Obama] had not failed. HaQaretz noted that, speaking about the Arab worldQs intolerance to the peace process, Obama aimed his criticism mainly at Saudi Arabia Q namely over King AbdullahQs refusal to offer Israel gestures of normalization in a bid to muster public support for the peace process.

The media reported that yesterday Special Envoy Mitchell met with PM Benjamin Netanyahu, President Shimon Peres, DM Ehud Barak, FM Avigdor Lieberman, and Opposition head Tzipi Livni. Israel Radio quoted Jerusalem officials as saying that attempts to renew talks with the Palestinians would continue despite President ObamaQs conclusion that he has been unable to achieve a breakthrough in the peace process. The Jerusalem Post reported that, before meeting Mitchell, Peres told reporters that "time was of the essence" in the peace process, and that there were forces in the region who wanted to destroy what has already been achieved. Mitchell said he recognized the difficulties and complexities, but that the U.S. would pursue negotiations until a peace agreement is reached. Maariv reported that during his meetings with the Israeli leadership, Mitchell attempted to convince them to grant further gestures to PA President Mahmoud Abbas, in an effort to convince him to return to the negotiating table. This request, however, was met with adamant refusal, with the argument that all gestures had been exhausted. Maariv reported that a senior political source explained to the Americans: QWe froze settlement construction, we declared our support for a two-state solution -- and the Palestinians refuse to negotiate. The blame ought to be cast on them, not us.Q After the round of talks in Israel, Mitchell is expected to visit the PA today and meet with Abbas and PM Salam Fayyad.

HaQaretz (Akiva Eldar) reported that a senior government minister told the newspaper yesterday that the chances of renewing the peace talks are "slim." According to the Minister, Mitchell's present mission is not likely to succeed either, as he will probably not persuade Palestinian President Mahmoud Abbas to renew the negotiations over the permanent status settlement. Nor is he likely to receive from PM Netanyahu a clear answer as to whether he is ready to adopt Secretary of State Hillary Clinton's formula to base Israel's permanent borders on the 1967 lines. HaQaretz believes that the results of Mitchell's meetings this week with Netanyahu and Abbas will determine whether Washington continues the efforts to bring the parties back to the negotiations table. HaQaretz says that one possibility being examined is shuttle diplomacy similar to Henry Kissinger's method of paving the way to the Separation of Forces Agreement between Israel and Egypt and Syria in the mid 1970s. However, Eldar said that the U.S. is not keen to give up the direct Israeli-Palestinian negotiation format for proximity talks. HaQaretz noted that Netanyahu has recently been trying to persuade the U.S. administration that due to the rivalry with Abbas, he is not prepared to reach an agreement involving difficult Israeli concessions. Netanyahu proposed focusing the American efforts on drafting sanctions on Iran. However, HaQaretz says that the TIME interview shows that Obama has not bought the PMQs contention that Israel has moved a long way toward the Palestinians by freezing settlement construction. Netanyahu blames Abbas for setting unreasonable conditions for resuming talks. The Jerusalem Post reported that yesterday senior IDF officials told PM Netanyahu during a tour of two observation posts along the Sinai

border that if the border with Egypt is not closed, then al-Qaida may use Sudanese refugees making their way into the country as cover to infiltrate and set up terrorist cells in Israel.

Israel Radio quoted U.N. Secretary-General Ban Ki-moon as saying that IsraelQs actions in the territories contradict its commitment to the Roadmap, undermine the PalestiniansQ confidence, and a two-state solution. The radio reported that Israeli diplomats expressed their astonishment at BanQs words and that they recalled that the U.N. failed to implement its own decisions in places like Lebanon.

The Jerusalem Post reported that Israel is anxiously awaiting the publication of an updated U.S. National Intelligence Estimate on Iran, with defense officials hoping it will finally prompt toughened sanctions against the Islamic Republic. The newspaper believes that those hopes were given a boost yesterday when the U.S and the E.U. vowed to keep up pressure on Iran to provide details about its nuclear program, saying the country's continued refusal to prove its intentions are peaceful will draw new penalties. In other news, The Jerusalem Post reported that yesterday in Bochum, Germany, a pro-Israel group protested the Iranian involvement in the engineering conglomerate ThyssenKrupp.

Makor Rishon-Hatzofe reported that Palestinian PM Salam Fayyad is boycotting the U.S. Security Coordinator for Israel and the Palestinian Authority, General Keith Dayton, with whom he has not met for seven months.

Leading media reported that Knesset Member and former Education Minister Yuli Tamir has announced she is leaving the Labor Party. In an interview with Israel Radio she cited -- among other reasons -- DM BarakQs decision to raise the status of Ariel College in the West Bank to that of a university. Tamir said that the Labor Party under Barak had preferred fear over determination when it came to negotiations with the Palestinians and that she would therefore not compete for a place in the partyQs list in the next election.

Israel Radio reported that the Defense Ministry has admitted that in Kiryat Netafim, in the northern West Bank, the construction of 15 houses has proceeded contrary to an interim order issued by the High Court of Justice. This appeared in the stateQs response to the High Court of Justice in a Peace Now petition asking that a contempt of court ruling be issued. Peace Now petitioned the High Court of Justice half a year ago, demanding that the demolition of houses and construction of new ones be brought to a halt. The organization argued that this was taking place on land partially belonging to Palestinians. The court issued the interim order at that time.

Ha'aretz reported that Jerusalem Mayor Nir Barkat has gone on the offensive against the municipal legal system, state prosecutor, and outgoing Attorney General Menachem Mazuz following Mazuz's order to the police to immediately evict the Jews living in QBeit Yonatan,Q a building in East Jerusalem's predominantly Arab Silwan neighborhood.

Israel Radio reported that yesterday the IDF Advocate GeneralQs office opened an investigation into the vandalism of tombstones in the cemetery in Awarta, a village near Nablus. The radio reported that IDF troops are now being suspected of the malicious act. In another development, HaQaretz reported that rights group Yesh Din is demanding that settlers be indicted for attacking Bedouin in the West Bank.

The Jerusalem Post cited Human Rights WatchQs claim that Israel is Qmore hostile than ever to human rights groups.

Media detailed a peace plan devised by Maj. Gen. (res.) Giora Eiland, former head of IsraelQs National Security Council.

Media reported that MK Shaul Mofaz threatens to split Kadima. Israel Hayom reported that Kadima chair Tzipi Livni is negotiating the entry of former IDF Chief of Staff Dan Halutz into her party as a possible substitute for Mofaz.

11. President ObamaQs Interview with TIME Magazine:

¶I. QLook WhoQs Talking

Washington correspondent Orly Azolai wrote in the mass-circulation, pluralist Yediot Aharonot (1/22): QAt the end of a year in office, Obama looks back in anger at the Middle East.... Instead of condescending and complaining like a spoiled child that the efforts he invested were to no avail, Obama could have pounded on the table and done what the world expected him to do: to take the initiative, seize the recalcitrant parties by their hair, and not let go until they consented.... Netanyahu and Abu Mazen know that the only plan on the agenda is establishing a Palestinian state within the 1967 borders with border revisions, a land swap on a dunam-for-dunam basis, declaring Jerusalem as the capital of the two states, and establishing diplomatic ties between Israel and all the Arab states. Obama should have presented this plan, set a strict timetable for its implementation, threatened to denounce the recalcitrant parties, and marketed it at a grandiose international conference. But Obama chose the easy way out: he chose to be offended, turned up his nose and turned his back. Netanyahu has no cause to rejoice at the fact that Obama is disappointed. We appear to have lost the PresidentQs attentive ear and perhaps his concern for our fate as well. Anyone who read his statements closely yesterday could understand that he is no longer really with us. Peace in the Middle East is first and foremost an Israeli interest, even if the way to achieving it is accompanied by a friendQs pressure. The most terrible thing of all will be a situation in which we have to cope with American indifference.

II. QAnd What Has He Done?

Columnist Nadav Eyal wrote on page one of the popular, pluralist Maariv (1/22): QOne does not have to be the President of the United States to get a grasp of the political situation in both Israel and the Palestinian Authority and one needs not to lead a superpower in order to appreciate that nothing in this region has changed since Henry Kissinger made the known statement that Israel has no foreign policy, only domestic policy. Such a public expression of disappointment, however, is indicative of a certain degree of naivet over the impediments faced by a U.S. president as he attempts to make progress in the Middle East -- whether this is Jimmy Carter, George H.W. Bush, Clinton, or George W. Bush. also does an injustice to Benjamin Netanyahu: when the Prime Minister finally laid to rest the greater Land of Israel in his Bar Ilan speech and when he confronted the settlers with a construction freeze -- limited as it may be -- these are clearly gestures.... One ought to ask what exactly has Obama done, what has his administration done, in order to realize the blissful vision presented only a year ago? The answer, put simply, is not enough. George Mitchell is an experienced peace envoy decorated in Irish glory; however, the president was incapable, or rather lacked the desire, to put his money where his mouth is, if one may use a well-known Washingtonian idiom.... And how exactly has the White House gone about cracking Israeli public opinion, the center of gravity for any peace process?.... Gestures -- the likes of which were made by both Clinton and Bush -- provide the political process with breathing space among the Israeli public, whose desire for recognition far surpasses any of its fears.... Do yourselves a favor, take no joy in [President ObamaQs] despair.

III. QDangerous Disregard

Senior diplomatic correspondent Shimon Shiffer wrote in Yediot Aharonot (1/22): QObamaQs main error concerning the Israeli government stems from the assumption that it is possible to reach a formula for freezing the settlements with Netanyahu, either by applying pressure or by hints that Israel could only receive the United StatesQ assistance to defend itself against the Iranian peril if it would stop the construction in the settlements (Bushehr in exchange for [the settlement of] Yitzhar). None of the Americans assumptions regarding the renewal of negotiations materialized.... As of now, it should be conceded that the candor of the U.S. President is an uncommon phenomenon on this side of the ocean. But anyone who thinks that he can take comfort in ObamaQs sincere admission and continue to do nothing to break free of the stalemate may be proved wrong. The tactic of building walls and mocking QAmerican naiveteQ may prove to be disastrous.

IV. QLetQs See Him Face Iran

Veteran journalist and television anchor Dan Margalit wrote in the independent Israel Hayom (1/22): QBetter late than never... A sobered-up Barack Obama explained in an interview with TIME Magazine that he had raised too high expectations regarding his ability to make peace between Israel and the Palestinians... [But] as strange as it sounds, the renewal of global confidence in the U.S. capability does not depend on the problematic fighting in Afghanistan or even on the ability to draft an Israeli-Palestinian understanding, but on proven success in an arena watched by all world governments -- the battlefield along the Washington-Tehran axis... Success in the Iranian arena will actually restore the United StatesQ ability to impose its will to the other parts of the world, including the warring Israeli and Palestinian sides. Is Israel interested? Apparently not. It does not want to accept ObamaQs dictates. But, in the final analysis, Israel is part of the American world and the United StatesQ might serves Israel more than it finds it a burden. Obama has begun granting the Middle Eastern conflict its global, realistic weight.

12. Mideast:

Block Quotes:

¶I. QMasters and Donkeys

Conservative columnist Sarah Honig wrote in the conservative, independent Jerusalem Post (1/22): QConsciously or otherwise, the carrot-and-stick motif conjures images of masters and the dumb donkeys they try to prod and move along. Those lucky enough to be in a position to choose between inducing or punishing are obviously the power-wielding honchos. Those to be tempted or whacked into submission are clearly the brutish troublesome beasts which must be disciplined -- one way or the other. Therefore, when U.S. President Barack ObamaQs special Mideast envoy fails to object to carrot-and-stick talk -- and even bothers to specify one stickQs characteristics -- he implies that heQs in charge, while we, threatened with a severe whack on the rump, are the asses.... IsraelQs very inability to risk the Jewish stateQs continued existence for the state of facile clichs paradoxically facilitates its demonization. When our struggle for survival ends up trivialized and kitschified, the remedy is clear: get the darned donkey under control with one stick or another.

II. QDamaging Political Decision

The independent, left-leaning Ha'aretz editorialized (1/22): QLike most decisions by Prime Minister Benjamin Netanyahu's government, the authorization to recognize the college in [the settler town of] Ariel as a university stems from coalition considerations and the desire to hold on to cabinet seats at any cost. When Defense Minister Ehud Barak gave the green light to implement an improper cabinet decision from 2005, he finally showed that Labor's excuse for joining the government -- to moderate the extremists -- was false. Barak is the one taking the government's most dangerous steps.... Israeli scientists and intellectuals have suffered in recent years due to a feeling of estrangement among important academic institutions worldwide; there have also been boycotts and ostracism. No doubt this attitude will worsen when Israel develops a large university town in the territories at a time when it is bound to a construction freeze. Israeli academia will become even more the leper and Israel's intellectual and scientific life will be forced into a ghetto; the damage to the system and all of society is hard to gauge. This dangerous folly is now at the doorstep of the Council for Higher Education -- the only institution that can stop it. Without its approval, Ariel cannot receive university funding and recognition of its degrees. The council must wage an unremitting professional and civil struggle for the future of higher education for what remains of Israel's legitimacy in the world and against pushing Israeli society to the destructive margins of Qsettler land.

III. QAriel Is Worthy of Being a University

The nationalist, Orthodox Makor Rishon-Hatzofe editorialized (1/22): QBased on the force of law and history, Israel has acted over the past 42 years as the sovereign party throughout Judea and Samaria [i.e. the West Bank]; before it granted Ariel College the status of a university, it made similar gestures for Bir Zeit University and other colleges in Judea and Samaria. The entire academic development in Judea and Samaria -- Jewish and Arab -- is the direct result of IsraelQs military rule when it assumed the former Jordanian rule... In their protest against Ariel, [Meretz Chairman Haim] Oron and his friends are marking targets for anti-Semitic academic unions to impose an academic boycott on Israel. Will Oron and [former Education Minister Yuli] Tamir recommend that the boycotters mark every Ariel graduate in some way -- so that legitimate Israelis donQt get harmed?

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